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SALT TWO SESSION I

A- 77

MEMORANDUM OF CONVERSATION U.S. SALT DELEGATION GENEVA, SWITZERLAND

DATE:

November 29, 1972

TIME:

1:00 - 2:30 p.m.

PLACE: Hotel des Bergues,

USSR Minister of the Radio Industry

Geneva

PARTICIPANTS:

US

**USSR** 

Mr. Paul H. Nitze Col C. G. FitzGerald Deputy Minister P. S. Pleshakov

During the luncheon for the Soviet Delegation hosted by the U.S. Delegation on November 29, 1972, Minister Pleshakov made the following comments on the Ministry of the Radio Industry and associated ministries.

He said his Ministry is currently producing, in addition to its normal output, refrigerators and other household appliances. This is in line with the current emphasis on consumer-goods production. The Ministry is also producing numerous types of consumer-oriented tape recorders, small calculators, etc. He indicated that this is interfering with the normal production of the Ministry.

Minister Pleshakov, in answer to a question, said that the average price for black and white TV receivers in the USSR is 220-240 rubles, while that for color receivers is in the 600-plus ruble range. He said the reason for the 300 percent differential was that it takes 11-12 hours (not man-hours, but total production time) to produce the former type and 30-32 hours for color sets.

Minister Pleshakov said that there is currently an oversupply of black and white receivers in the USSR similar to the situation in 1969-70. He said his Ministry plans to stimulate

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lagging sales of the current surplus receivers in the same way that they eliminated the earlier overages -- by an "advertising" campaign and by "buying back" (skipat") used receivers from the population. In response to Mr. Nitze's question, he said that they used the receivers which are bought back for salvage. He indicated with a gesture of the hands the process of compressing. He also said his Ministry is the only one so far to adopt the technique of "buying back" used products.

In answer to a question for a general estimate of the number of personnel employed by this Ministry, Pleshakov said the number is vast (ogromnoye) and close to the number of personnel in the U.S. engaged in producing the same products. Mr. Nitze pointed out to him that in the U.S. several producers are engaged in the production of sub-units and components for end items of the types produced by Pleshakov's Ministry.

Pleshakov said that his Ministry receives the majority of the components it uses in its end items from the Ministry of Electronics. He listed the latter's production as including capacitors, tubes, resistors, solid-state components, and "bis" components. He said that, essentially, the Electronics Ministry works for, i.e., most of its production goes to, two ministries -- his own and the Ministry of the Aviation Industry.

Pleshakov said that close watch is kept in the USSR on the numbers of people from various elements of U.S. industry engaged in the production of sub-systems, etc. Consequently, the answer he had given on the number of personnel in his Ministry was an accurate one.

Pleshakov also said that his Ministry produces certain components for Soviet ICBMs in addition to the radars it produces for ABM purposes.

Drafted by: Col C. G. FitzGerald Approved by: Mr. P. H. Nitze

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